

**University of Waterloo**  
**Department of Economics**  
**ECON 442**  
**Economics of Taxation**  
**Fall 2016**  
**MWF 9:30-10:20 EV3-4412**

**Instructor and T.A. Information**

Instructor: Trien Nguyen

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T.A.: there is no T.A. for this course

Website: this course outline is available online at two locations for the duration of the term:

[Department of Economics website](#)

[LEARN website](#) (registered students only)

**Course Description**

This course covers various aspects of the economics of taxation. Topics may include tax incidence, optimal tax, and economic responses to tax (labor supply, savings, evasion). Institutions and tax policy are also covered. Previous background in taxation is not required.

**Course Goals and Learning Outcomes**

The goal is to give students an opportunity to use economic analysis to tax issues in terms of efficient resource allocation. Upon completion of this course, students will be able to apply quantitative methods of economic analysis for tax policy evaluations.

**Required Text**

Intermediate Microeconomics of Taxation. Available at the UW BookStore

**Course Requirements and Assessment**

Midterm 1 (required)	20%
Midterm 2 (required)	20%
Midterm 3 (required)	20%
Assignments (required)	35%
Class attendance and participation (required)	5%

There is no final exam in this course. At least one midterm must be written. Students missing all three midterms will receive a failing mark. Regular class attendance and active participation are required. No makeups will be given for missing class, participation, assignments. Students are responsible for all class activities and materials whether they attend classes or not.

Class participation means engaging in class discussions (in class or online) on course-related matters. Students are encouraged to give feedbacks, questions, answers, follow-ups, and after-thoughts. Unlike

the outside world, wrong answers and “stupid questions” in this class are appreciated, respected, and valued as great steps towards teaching and learning.

## Course Topics

Topics might be changed to suit the class progress, student background and interests.

1. Introduction and overview
2. Tax incidence
3. Optimal taxation
4. Economic responses to tax (labor supply, savings, evasion)
5. Institutions and tax policy
6. Tax policy simulation with GTAP (Global Trade Analysis Project)

## Course Protocols

### Missing Midterms

- Students missing a midterm due to illness should submit, within 48 hours, a UW Verification of Illness Form (VIF) or an equivalent doctor’s note to support requests for accommodation due to illness. Accommodation is not automatic as the submitted document will be reviewed together with other course information to assess whether accommodation is warranted. The Economics Undergraduate Office normally schedules makeup exams after the end of the final exam period.

### Course Postings on LEARN

- Course materials (e.g., assignments, readings, handouts) are posted on LEARN for a limited time during the term. As LEARN might be down without warning, students should always save all course materials, especially those having time-sensitive deadlines, as soon as they are posted. Extensions of deadlines due to LEARN being down are normally not granted.

### Late Coursework

- Electronic submissions must be submitted on LEARN no later than **8:30** am on the due date (the machine does not accept late submission). Hardcopies must be submitted in class no later than **8:30** am on the due date. Late work will not be accepted and will be given a zero mark.

### Electronic Device Policy

- Computers may be used for related class activities only. Turn off all other electronic devices (including photographic devices). Students are encouraged to write their own notes during lectures. No audio recordings, video recordings or pictures may be taken during class.

### Fee-Arranged Policy

- Students are responsible for administrative matters of registration and fee arrangements with the Registrar’s Office. No accommodations will be given for loss of access to LEARN and academic consequences arising from administrative issues with the Registrar’s Office.

### Alternative Option to Turnitin

- Students who do not wish to have their course work screened by Turnitin (see “If Using Turnitin in Your Course” below) should inform the instructor in writing or email no later than the end of the second week to arrange for an alternative option.

### Additional Course Protocols

- Incomplete class attendance: arrive late or leave early more than 50% of class time.
- Incomplete class participation: being in class but not fully participating in class activities (e.g., study for other courses, inappropriate use of computers and electronic devices during class).

## Tentative Schedule

Class	Date	Day	Midterm	AS Posted	AS Due	Return	Notes
01	Sep 09	fri		as01 posted			
02	Sep 12	mon					
03	Sep 14	wed					
04	Sep 16	fri		as02 posted	as01 due		
05	Sep 19	mon				as01 return	
06	Sep 21	wed					last day to add
07	Sep 23	fri		as03 posted	as02 due		
08	Sep 26	mon				as02 return	
09	Sep 28	wed					drop no penalty ends
10	Sep 30	fri			as03 due		
11	Oct 03	mon				as03 return	
12	Oct 05	wed	<b>mt1 in class</b>				
13	Oct 07	fri		as04 posted			
	Oct 10	mon					thanksgiving
	Oct 12	wed					fall break
14	Oct 14	fri		as05 posted	as04 due		
15	Oct 17	mon				as04 return	
16	Oct 19	wed					
17	Oct 21	fri		as06 posted	as05 due		
18	Oct 24	mon				as05 return	
19	Oct 26	wed					
20	Oct 28	fri			as06 due		
21	Oct 31	mon				as06 return	
22	Nov 02	wed	<b>mt2 in class</b>				
23	Nov 04	fri		as07 posted			
24	Nov 07	mon					daylight saving time
25	Nov 09	wed					
26	Nov 11	fri		as08 posted	as07 due		
27	Nov 14	mon				as07 return	
28	Nov 16	wed					
29	Nov 18	fri		as09 posted	as08 due		drop with WD ends
30	Nov 21	mon				as08 return	
31	Nov 23	wed					
32	Nov 25	fri			as09 due		
33	Nov 28	mon				as09 return	
34	Nov 30	wed					
35	Dec 02	fri	<b>mt3 in class</b>				
36	Dec 5	mon					class ends

## **Institutional-required statements for undergraduate course outlines approved by Senate Undergraduate Council, April 14, 2009**

### **Academic Integrity**

In order to maintain a culture of academic integrity, members of the University of Waterloo community are expected to promote honesty, trust, fairness, respect and responsibility. See the [UWaterloo Academic Integrity webpage](#) and the [Arts Academic Integrity webpage](#) for more information.

### **Discipline**

A student is expected to know what constitutes academic integrity, to avoid committing academic offences, and to take responsibility for his/her actions. A student who is unsure whether an action constitutes an offence, or who needs help in learning how to avoid offences (e.g., plagiarism, cheating) or about “rules” for group work/collaboration should seek guidance from the course professor, academic advisor, or the Undergraduate Associate Dean. When misconduct has been found to have occurred, disciplinary penalties will be imposed under Policy 71 – Student Discipline. For information on categories of offenses and types of penalties, students should refer to [Policy 71 - Student Discipline](#). For typical penalties check [Guidelines for the Assessment of Penalties](#).

### **Grievance**

A student who believes that a decision affecting some aspect of his/her university life has been unfair or unreasonable may have grounds for initiating a grievance. Read [Policy 70 - Student Petitions and Grievances](#), Section 4. When in doubt, please be certain to contact the department’s administrative assistant who will provide further assistance.

### **Appeals**

A decision made or penalty imposed under Policy 70, Student Petitions and Grievances (other than a petition) or Policy 71, Student Discipline may be appealed if there is a ground. A student who believes he/she has a ground for an appeal should refer to [Policy 72 - Student Appeals](#).

### **Note for Students with Disabilities**

The [AccessAbility Services](#) office, located on the first floor of the Needles Hall extension (NH 1401), collaborates with all academic departments to arrange appropriate accommodations for students with disabilities without compromising the academic integrity of the curriculum. If you require academic accommodations to lessen the impact of your disability, please register with the AccessAbility Services office at the beginning of each academic term.

### **If Using Turnitin in your Course**

**Turnitin.com:** Text matching software (Turnitin®) will be used to screen assignments in this course. This is being done to verify that use of all material and sources in assignments is documented. Students will be given an option if they do not want to have their assignment screened by Turnitin®. In the first week of the term, details will be provided about arrangements and alternatives for the use of Turnitin® in this course. Note: students must be given a reasonable option if they do not want to have their assignment screened by Turnitin®. See [Guidelines for Instructors](#) for more information.

## **Faculty of Arts-required statements for undergraduate course outlines**

Cross-listed Course (if applicable)

Please note that a cross-listed course will count in all respective averages no matter under which rubric it has been taken. For example, a PHIL/PSCI cross-list will count in a Philosophy major average, even if the course was taken under the Political Science rubric.